



**NOTICE OF A REGULAR MEETING OF THE
VINEYARD REDEVELOPMENT AGENCY BOARD
April 27, 2016 - 7:30PM**

Public Notice is hereby given that the Vineyard Redevelopment Agency (RDA) Board will hold a regular meeting on Wednesday, April 27, 2016, starting at approximately 7:30 p.m. or as soon thereafter as possible in the Vineyard Town Hall; 240 East Gammon Road, Vineyard, Utah. The agenda will consist of the following:

Agenda

1. Consent Agenda – there are no items for consent

2. BUSINESS ITEMS:

2.1 DISCUSSION AND ACTION – Remediation Funding Request

Anderson Geneva LLC is requesting funds from the RDA for the environmental remediation of the property located on the northwest corner of Geneva Road and The Vineyard Connector. The RDA Board will take appropriate action.

3. ITEMS REQUESTED FOR NEXT AGENDA

4. ADJOURNMENT

The Public is invited to participate in all Vineyard Redevelopment Agency meetings. In compliance with the Americans with Disabilities Act, individuals needing special accommodations during this meeting should notify the Town Clerk at least 24 hours before the meeting by calling (801) 226-1929.

I the undersigned duly appointed Recorder for the Town of Vineyard, hereby certify that the foregoing notice and agenda was emailed to the Daily Herald, posted at the Vineyard Town Hall, the Vineyard Town website, the Utah Public Notice website, delivered electronically to Town staff and to each member of the Governing Body.

AGENDA NOTICING COMPLETED ON: April 26, 2016 4:00 PM

CERTIFIED (NOTICED) BY: /s/ Pamela Spencer

P. SPENCER, TOWN CLERK/RECORDER



Vineyard RDA Development Incentive Application

assistance with backbone infrastructure improvements, environmental remediation, and other necessary projects associated with the Geneva URA project area. ***Applicants are strongly encouraged to attach documentation which supports their proposal.***

1. Applicant Organization: **Anderson Geneva, LLC**
Address: **9537 South 700 East**
City/State/Zip: **Sandy, Utah 84070**
Contact Person: **Gerald D. Anderson, Michael Hutchings, Stewart Park**
Phone/Fax/Email: **801-558-3575 (Gerald) 801-580-2538 (Michael); 801-990-4998 (fax); gerald@and-dev.com (Gerald); mhutchings@and-dev.com (Michael); Stewart 801-699-6982/stewart@and-dev.com**

Is the Applicant the Property Owner? ☒ **XX Yes** ☐ **No**

2. Describe the type of project being proposed:
☐ Infrastructure ☒ **XX Environmental Remediation**
☐ Other _____

Provide a summary description of the proposed project here and attach a detailed scope of the proposed work.

Anderson Geneva, LLC (AG) is requesting the Vineyard Town RDA Board (RDA) incentivize Wal-Mart to locate a super store on the northwest corner of Geneva Road and Vineyard Connector. Wal-Mart needs to obtain this 20 acre site in an environmentally clean condition in order to build a 156,000 square foot super center (food and full retail). A portion of this property contains significant environmental contamination involving hazardous waste, impacted materials, groundwater, subsurface concrete, debris, etc. which needs to be environmentally remediated as supervised by the Utah Department of Environmental Quality. The RDA Plan and budget contemplated a time when the remediation would be necessary. Now is that time.

Wal-Mart is also asking that the RDA pay to Anderson Geneva, LLC \$2.00/sq.ft (\$1,742,400) as an incentive to sell the Property to Wal-Mart at a discounted price of \$4.00/sq.ft (the 20 acre parcel is worth at least \$6.00/sq.ft). Anderson Geneva, LLC is willing to accept these incentive payments totaling \$2.00 sq.ft (\$1,742,400) plus 7.5% interest over the life of the RDA and will sell the 20 acre property to Wal-Mart at the discounted price of \$4.00/sq.ft.

3. Contribution of the Applicant:
- | | |
|---|------------------------------|
| Total Estimated Cost of the project (<u>must</u> attach documentation): | <u>\$82,200,000</u> |
| Contribution /Investment of the Applicant (Applicant is willing to initially contribute ground, supervision services and monies for which Applicant should be reimbursed over the life of the RDA | |
| Other sources of funding (specify and attach supporting documentation): | \$63,000,000-US Steel |
| Assistance requested from the RDA: (initial request) | \$19,200,000 |
| Total Funding | \$82,200,000 |

An additional request is being made for the remediation of contaminated ground water in this area that affects the pending sale of this property to Walmart

Total estimated cost of ground water remediation	\$20,000,000
Contribution of applicant	\$5,000,000
Other sources of funding	\$15,000,000-US Steel
Assistance requested from RDA (initial request)	\$5,000,000
Total funding	\$20,000,000

An additional request is being made for \$2.00/sq.ft for the cost of the Ground to be paid as an incentive to Anderson Geneva, LLC.

Total estimated cost of the ground to be sold to Wal-Mart at \$6.00/sq.ft	\$5,227,200
Sales price payable by Wal-Mart for the 20 acres	\$3,484,800
Assistance requested from RDA (initial request)	\$1,742,400

4. Describe the ability of the site to be developed without assistance.

The Property cannot be developed without RDA participation and incentives.

5. Describe the reasonable justification for the need of public investment in this project.

Environmental concerns were the main reason why the RDA was created in the first place. These costs are identified already in the RDA budget and plan that have been approved for this Geneva Urban Renewal Area. Newly enacted SB 151 became law and specifically provides that the town RDA board may utilize the 20% monies (formerly for affordable housing) is the board determines that the cost of remediation of the site will exceed 20% of the RDA budget. The RDA plan already contemplates between \$100-\$300 Million in RDA remediation costs on the Geneva property.

6. Describe the land area which will be benefitted from the proposed project and the impact to future development.

- a. The initial benefit of the project will prepare a 20 acre parcel on the north-west corner of Geneva Rd and the Vineyard Connector. The remediation of this parcel will allow for the development of a Walmart Supercenter and 4 outparcel retail locations. The Wal-Mart property is projected to generate \$750,000 in annual sales tax for Vineyard and additional RDA tax increment over the life of the RDA until 2049).
- b. The long term benefit of the project and completion of the CAMU will ultimately remediate and prepare for sale and development approximately 346 acres located north of the Vineyard Connector and west of Geneva Rd. this property will generate additional significant sales tax and RDA tax increment during the life of the RDA until 2049).

7. Describe the impact this project will have on new jobs, or the quality of existing jobs (number and average salary).

This area currently has no employment base. Based on calculations for a typical Walmart Supercenter the Wal-Mart will employ 350 people with an average wage of \$13.48/hour. Additionally, this 130 acre retail portion north of Vineyard Connector will generate approximately 2,300 jobs at an average of wage of \$13-\$15 per hour. The industrial portion involving 216 acres should generate approximately 5,000 jobs at an average wage of \$13-\$15 per hour.

8. Attach a chart which describes the proposed timeline of the project, including expected dates for start and completion.

See attached chart with proposed timelines, expected dates and tasks

9. Will the RDA own any of the infrastructure related to this project? If so, describe/elaborate.

It is not anticipated that the RDA nor the town will own the CAMU, the groundwater, etc.

10. How much taxable value will your project add to the tax rolls? (Indicate whether your estimate is above the existing taxable value or total including the existing value. Also, provide supporting detail for how the estimate was derived.)

The taxable property value in the 130 acres of retail is currently valued at \$383,328. The projected value of the remediated property at full buildout is estimated to be \$217,451,520. This project should generate property taxes of \$2,730,756 annually and retail sales tax of \$3,397,680 annually. These calculations were made using numbers provided by Zion's Public Finance Inc. from a report compiled in January 2016. They were further confirmed by Suzy Becker of Zion's Public Finance.

We further estimate that as part of this project, an additional net 216 acres of industrial land will be environmentally remediated for development. This property is projected to be valued at \$522,740,304 at total buildout and will generate \$6,564,573 in annual property taxes. The source of these calculations is the current value of improved land occupied by industrial properties in the Eastlake Industrial Park

Respectfully submitted on this 22ND day of April 2016

Anderson Geneva, LLC (Applicant)

By: 
Stewart Park, Project Manager

UPDATED CAMU analysis Apr. 2016

	CH2MHill estimate	AG estimate
Site prep	\$10.2	\$6-8
CAMU	\$22.2	\$22.2
SWMU's to CAMU	\$25.2	\$26.5
SWMU's outside	\$1.0	\$1.0
Intermediate grading	\$2.9	\$2.9
Outside grading	\$19.4	\$10.0
O & M	\$4.6	\$4.6
Land value	\$7.0	\$7.0
Total	\$92.5	\$82.2

CAMU Construction and Usage Timeline

Activity	Duration	Begin date	End date
Material excavation, segregation and sampling tests by Harsco	Field work – 6 weeks; Lab analysis – 6 weeks; Data review – 4 weeks	Dec. 1, 2015	Apr. 15, 2016
Finalize RFP and draft contract between USS and Contractors	7 months	Oct. 1, 2015	May 1, 2016
Finalize agreement between USS and AGDI	9 weeks	May 1, 2016	July 5, 2016
Send RFP to bidders	After materials testing and evaluation		Aug. 15, 2016
Bids back from bidders	60 days after RFP	Aug 15, 2016	Oct 15, 2016
Contractor selection USS and AGDI	30 days after bids returned	Oct 15, 2016	Nov 15, 2016
Contractor facilities, material evaluation and Final Design by contractor – begin some site prep	6 months	Nov 15, 2016	May 15, 2017
Involve UDEQ in design process and permit modification process	Ongoing during CAMU design by contractor	Nov. 1, 2016	Apr. 1, 2017
Public information period by USS/AGDI	60 days	Apr. 1, 2017	Oct. 1, 2017
Submit Final Design to UDEQ for approval	45 days	Apr. 1, 2017	Oct. 1, 2017
UDEQ public comment period after approval	45 days + 15 days for publication	Jun. 1, 2017	Aug. 1, 2017
CAMU Construction	12 months	Aug. 1, 2017	Aug. 1, 2018
Stabilize tar and re-locate Coke/benzene material inside CAMU; cap CAMU	6 months	Aug. 1, 2018	Feb. 1, 2019
Re-locate impacted material adjacent to CAMU and groom debris piles	3 months	Feb. 1, 2019	May. 1, 2019
Initiate operation and maintenance of CAMU leachate collection system	30 years +	May. 1, 2019	